

**TRABUCO CANYON WATER DISTRICT  
FINANCE/AUDIT COMMITTEE MEETING RECAP  
NOVEMBER 17, 2009**

**DIRECTORS PRESENT**

Matt Disston, Committee Chair  
Glenn Acosta, Committee Member

**STAFF PRESENT**

Don Chadd, General Manager  
Hector Ruiz, District Engineer  
Sharon E. Smith, Secretary/Treasurer  
Michael Perea, Special Projects Manager  
Teresa Teichman, Assistant to the General Manager

**PUBLIC PRESENT**

No members of the public were present.

**CALL MEETING TO ORDER**

Committee Chair Disston called the November 17, 2009  
Finance/Audit Committee Meeting to order at 7:08 a.m.

**VISITOR PARTICIPATION**

Public comments were announced. No comments were received.

**ORAL COMMUNICATION**

Oral communication was announced. No comments were received.

**COMMITTEE MEMBER COMMENTS**

There were no comments.

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REPORT FROM THE GENERAL MANAGER

Mr. Don Chadd, General Manager, stated that he met with Mr. Pat Lawrence, representative of the Dove Canyon Master Association, to clarify the complexities relating to the reclaimed water rate.

ACTION ITEMS

ITEM NO. 1) FINANCE/AUDIT COMMITTEE MEETING RECAP

The November 4, 2009 Finance/Audit Committee Meeting Recap was presented to the Committee. No changes were made to the Recap.

**Recommendation: The Committee recommended that the November 4, 2009 Finance/Audit Committee Meeting Recap be received and filed by the Board. (Consent Calendar)**

ITEM NO. 2) OTHER MATTERS

Mr. Chadd stated that a new telephone procedure for notifying customers of pending water lock off has been put in place. Mrs. Teresa Teichman, Assistant to the General Manager, explained the process, noting that it worked very successfully.

ITEM NO. 3) TREASURER'S REPORT

ITEM NO. 3A) PRESENTATION OF OCTOBER 2009 PRELIMINARY STATEMENT OF REVENUE AND EXPENSE

Ms. Sharon Smith, District Treasurer, reviewed the October 31, 2009 preliminary statement of revenue and expense. Revenues are 35.5 percent collected. Water sales decreased, mainly due to a large decrease in agriculture water revenue. Sanitation revenues increased over prior year. Two months of payments were received for the Chiquita/El Toro Road Sewer Lift Station from a developer, and two payments were received from the County of Orange for the O'Neill Park sewer account. Both reclaimed and recycled water sales increased over October of 2008.

Operating expenses, 31.6 percent of year-to-date budget, were reviewed. District wages and benefits increased; overtime pay was considerably higher due to emergency repairs in both the Sanitation and Water Departments. Water purchases and fixed charges increased based on the quantity of water purchased. The increase in sanitation expenses relates to a sewer line break.

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Discussion followed concerning providing a quarterly report relating of revenues.

Committee Member Acosta stated a reporter from *The Orange County Register* contacted him regarding the change in Director Acosta's residential water usage. Mr. Chadd has contacted the reporter and clarified that Director Acosta is well within the lower water use tier.

Mr. Chadd noted that staff will meet with representatives from El Toro Water District regarding funding for the Baker Water Treatment Facility.

**Recommendation: The Committee recommended that the Board receive and file the October 31, 2009 preliminary statement of revenue and expenses. (Consent Calendar)**

3B) BILLS FOR CONSIDERATION

The bills for consideration were presented for the Committee's review.

**Recommendation: The Committee recommended that the Board ratify payment of the November 17, 2009 bills for consideration in the amount of \$251,261.45, as presented. (Consent Calendar)**

ADJOURNMENT

Committee Chair Disston adjourned the November 17, 2009 Finance/Audit Committee Meeting at 7:25 a.m.